

Environmentally Accountable Economic Development:
Two case studies of combining job creation with environmental protection

by

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ABSTRACT

The traditional approach to economic development views environmental regulation as a constraint to business development and job growth. This in many ways has led to the ongoing tension between job creation and environmental protection. Little is understood, however, as to how this tension might be reconciled so that environmental and economic progress can occur simultaneously. This project examines two places, Chattanooga, Tennessee and Northampton County, Virginia to understand the pressures and conditions under which cities and regions elect to pursue a more environmentally accountable form of economic development. Three key findings emerge from both cases: the importance of creating broad, cross-cultural, cross-racial alliances, institutionalizing those alliances, and creating porosity between civic society and the state to involve citizen groups in formal governmental processes in novel ways. Through a grounded understanding of the particular processes and pressures in both Chattanooga and Northampton that led to these outcomes, the reader gains insight into the kind of institutional infrastructure and conditions necessary to support a more environmentally responsive and accountable form of economic development.

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Introduction¹

This paper tells the story of two places, Northampton County, Virginia and Chattanooga, Tennessee that have embraced a new and innovative approach to economic development that I have called ‘environmentally accountable.’ Faced with significant environmental and economic challenges, Chattanooga and Northampton were forced to decide how to create new jobs, rebuild their economies and simultaneously improve their environment. For most cities in such a position, the typical choice would have been to recruit jobs at any cost to stave off rising unemployment and income loss. But Northampton and Chattanooga chose a different path that reconciled economic growth and environmental protection to realize impressive gains and fortunes for *both* their economy and environment.

In doing so, Northampton and Chattanooga provide a stark contrast to the “jobs versus environment” debate that has plagued developers and decision makers for the past half century. This debate has in part arisen from the traditional notion within economic development that the role of economic developers is to create new jobs, increase incomes and enlarge the tax base. Under this narrow understanding of economic development, environmental regulations have often been seen by political actors—and even some policy makers—as a burden and constraint for businesses. According to this side of the argument, more stringent environmental regulations result in a reduced bottom line for

¹ I would like to acknowledge and thank Meenu Tewari for her suggestions and guidance with this paper. I learned an enormous amount through our conversations. Thank you very much to my interviewees who shared their knowledge with me and gave generously of their time. Lastly, I would like to thank my fiancée, Manda, for her support during the writing of this paper.

businesses and thus fewer dollars available for new job creation. Concerns over regulations also exist at a regional level where decision makers believe environmental standards might drive away businesses and investment and put a damper on economic growth.

But what about the other side of the argument? Can progressive environmental legislation and policies lead to better economic development outcomes? What are the pressures and conditions under which cities and regions elect to pursue a more environmentally accountable form of economic development? These questions form the central focus of this paper and are answered through examining the decision-making process that Northampton and Chattanooga took to craft their environmentally accountable economic development policies. For planners, the answers to these questions are particularly relevant as they present a new path that leads decision makers out of the precarious position of deciding between a thriving economy and a clean environment.

I argue that three key elements were important for both Northampton and Chattanooga to succeed with their environmentally accountable economic development strategy. First, the formation of broad, cross-class, cross-racial alliances that brought greater credibility and voice to this combined strategy was critical for citizens in both Northampton and Chattanooga to experiment with bold, new approaches. As I show in the case studies, these alliances caught the attention of local government actors and institutions and created strong initial momentum for change. The presence of these mobilized civic

society networks also elicited greater accountability from government. The second element relates to the first in that these broad alliances did not remain unorganized, diffuse or isolated but became institutionalized. Thus, both groups in Chattanooga and Northampton became legitimate players and partners of local government in discussions around economic development and environmental policy. The third and final pattern that cuts across both cases is the significance of blurring old divisions between civic society and the state by involving citizens in formal governmental processes in a deeply embedded way. Unlike so many places that talk about citizen involvement, Chattanooga and Northampton worked to create a porous boundary between citizens and government to allow for new channels of collective action. Through this, Chattanooga and Northampton tapped into unrealized sources of knowledge and brought innovative solutions to bear on seemingly intractable problems.

Methodology

The two cases selected for this paper were found through conducting searches of various internet search engines and sustainable development websites. Rather than focus on towns with large research universities or capital cities, I deliberately chose places that might not seem, on the face of it, supportive of a sustainable approach to economic development. The Northampton case was selected through research on the federal Environmental Protection Agency website. The Chattanooga case was found through research on eco-industrial parks in the United States and a review of the literature pertaining to this topic.

The case study format was selected because it provides a clear structure for illustrating and narrating the story of each community. Each study will present the community's history, events and institutions triggering and prompting a movement towards sustainable economic development, and the outcomes of such efforts. In order to gain insight into each community, I have drawn heavily from multiple telephone interviews with over twelve different people to write this paper. My interviewees ranged in occupation from the president of the chamber of commerce, to town planners and economic development officials to community organizers. I also conducted background research using Lexis-Nexis and academic search engines. In each case, I have uncovered the underlying dynamics, sequences and processes of crafting a sustainable, environmentally compliant approach to economic development.

The structure of this paper will be as follows. The next section explores key themes in the literature surrounding the environment versus development debate. Section three presents Northampton's path towards environmentally accountable economic development. Section four tells the story of Chattanooga's transition from a highly polluted city to one of the greenest in the country and contrasts its path with that of Northampton. The fifth and final section offers lessons learned from the case studies by drawing out key themes that cut across both cases.

The Development and Environment Conundrum: Themes in the Literature

The Jobs versus Environment Debate

The American Economic Development Council defines economic development as:

The process of creating wealth through the mobilization of human, financial, capital, physical and natural resources to generate marketable goods and services. The economic developer's role is to influence the process for the benefit of the community through expanding job opportunities and the tax base.²

This definition focuses on the importance of “expanding job opportunities and the tax base”, both of which have historically been the aim of the traditional economic development paradigm. Economic developers who uphold this traditional approach focus their time and energy on recruiting new businesses to their town and improving the local business climate so as to encourage the expansion of existing businesses.³ In doing so, many economic developers believe their efforts are making local businesses more competitive and the community a better place to live in. Other localities have moved beyond this simple emphasis on job creation and expanding the tax base to see economic development through a broader lens. For these places, economic development is about improving the welfare of all residents and examining not only how many jobs are being created but also the quality of those jobs and the character of the regions' social infrastructure, such as, cultural and educational facilities, to name a few.⁴

² Malizia, Emil and Edward Feser. *Understanding Local Economic Development*. Center for Urban Policy Research. New Brunswick, NJ 2005.

³ Malizia, 2005, op. cit.

⁴ Blair, John P. *Local Economic Development: Analysis and Practice*. Sage Publications. 1995.

Absent in both these traditional approaches to economic development, however, is mention or discussion of the environment. The economic development literature to date has mainly centered on the environment as a regulatory burden and discussed ways developers might reduce the costs of environmental regulation for local businesses. As discussed in the previous section, a possible cause for this neglect could be the tension that has historically existed between economists and environmentalists over job creation and environmental protection.⁵ For example, many businesses viewed the passage of environmental legislation in the 1970s as a burden and cost they would have to bear at the expense of creating new jobs. This belief and standoff persisted throughout the 70s and into the 80s.

Going forward, the question was how this impasse could be resolved. In 1987, leaders from nations around the world met at the World Commission on Environment and Development (WCED) to discuss and brainstorm what could be done about environmental degradation and economic development. The discussions resulted in the first definition of what can be called sustainable development. Sustainable development, according to the WCED aims, “to meet the basic needs of all and extending to all the opportunity to fulfill their aspirations for a better life.”⁶ This type of development seeks to responsibly use natural resources and renew the globe’s finite natural resources while still developing and strengthening the economy. These alternative development efforts thus seek to meet current needs without compromising the ability of future generations to

⁵ Desta, Asayehgn. *Environmentally Sustainable Economic Development*. Praeger Publishers. 1999.

⁶ Shrivastava, Paul. 1995. “The Role of Corporations in Achieving Ecological Sustainability.” *The Academy of Management Review*, Vol. 20, No. 4. pp. 936-960.

meet their needs.⁷ In this definition the previous notion of the environment as a constraint, as expressed by traditional economic development strategies, has given way to one that sees the environment as inextricably linked to development.⁸

Reconciling Job Growth with Environmental Protection

Using this framework of sustainable development, I have extrapolated a definition of what can be called environmentally accountable economic development.

Environmentally accountable economic development might be defined as programs and policies that are designed to meet current needs without depleting resources available to future generations. This kind of economic development sees the environment and environmental protection policies not as a constraint, or burden to be overcome, but something that can be utilized to achieve better development outcomes. This definition also brings some resolution to the earlier conflict of jobs versus the environment by seeking a new economic development path that promotes and advances the development of new businesses and technologies that are environmentally friendly. In doing so both job growth and environmental protection can occur. Such a position expands the limited scope of traditional economic development to see enhancements in environmental quality as a benefit to the community and as an integral part of economic development.

⁷ Shrivastava, Paul. 1996. *Greening Business: Profiting the Corporation and the Environment*. Cincinnati; Thomson Executive Press.

⁸ Blair, 1995, op. cit.

Gains from Environmentally Accountable Economic Development

Beyond the obvious benefit of reducing pollution and natural resource use, environmentally accountable economic development also holds a number of other key benefits. For one, by pursuing the development of a sustainable business and economy, living conditions and quality of life of all members of society—even residents not located near the area pursuing sustainability is improved.⁹ For example, if a city pursues an environmentally accountable form of economic development and reduces the amount of pollution its businesses emit, cities downstream or downwind also realize the benefit of breathing cleaner air and drinking cleaner water.

Another important benefit of environmentally accountable economic development is that it often leads to a reduction in costs for local government and taxpayers. Under the old paradigm of economic development, many businesses were recruited to an area or even existing businesses operated in such a way that pushed the costs of externalities, such as pollution, onto the public. However, environmentally accountable economic development and sustainable businesses internalize externalities in production processes and outputs which can lead to a reduction in the generation of harmful wastes.¹⁰ The cleaning product business *Sun and Earth*, located in Norristown, Pennsylvania, for example has elected to operate and produce its products using only wind power.¹¹ In using this renewable resource, *Sun and Earth* shows how a business decided not to push the air pollution from coal fired electric power plants (normally used to power similar businesses) onto the residents and government of Norristown. Further, by internalizing

⁹ Cairncross, Frances. 1995. *Green, Inc.* UK; Earthscan Publications Limited.

¹⁰ Desta, 1999, op. cit.

¹¹ Broughton, Anne Claire and Adam Klein. (August 2006.) 2006 SJF Annual Mission Impacts Survey.

the costs of producing a good instead of shifting costs to residents, consumers and the government, a business is more inclined to produce a quantity of goods that is socially optimal.¹² The burden of dealing with pollution and wastes is shifted to the business instead of the community and its government, which can reduce the cost the community bears.

Other benefits of sustainable economic development are institutional, such as creating community capacity and developing new technologies. For example, by pursuing a sustainable strategy, a local government is encouraging its new and existing businesses to more efficiently use nonrenewable resources and adopt new ways of doing old things.¹³ As part of its broader movement towards environmental accountability, Jackson County, North Carolina, for instance is pushing local businesses to operate in ways that consume fewer nonrenewable resources. Recently, Jackson built a business incubator that runs entirely on methane gas and worked with local artisans to retrofit their equipment to run on this new, clean source of energy.¹⁴ A local blacksmith's forging machinery, for instance, was adapted to run on methane instead of coal and gas. In this way, Jackson County shows how a county can play a role in encouraging the use of renewable resources.

Fostering the use of new strategies and technologies that respect community resources can also lead to innovative environmental solutions and the creation of community

¹² Desta, 1999, op. cit.

¹³ Lahar, Stephanie, Fawbush, Wayne and Edward Delhagen. October 2002. "Walking with the Tiger: A Path for Growing Vermont's Economy in the Era of Globalization." Vermont Sustainable Jobs Fund.

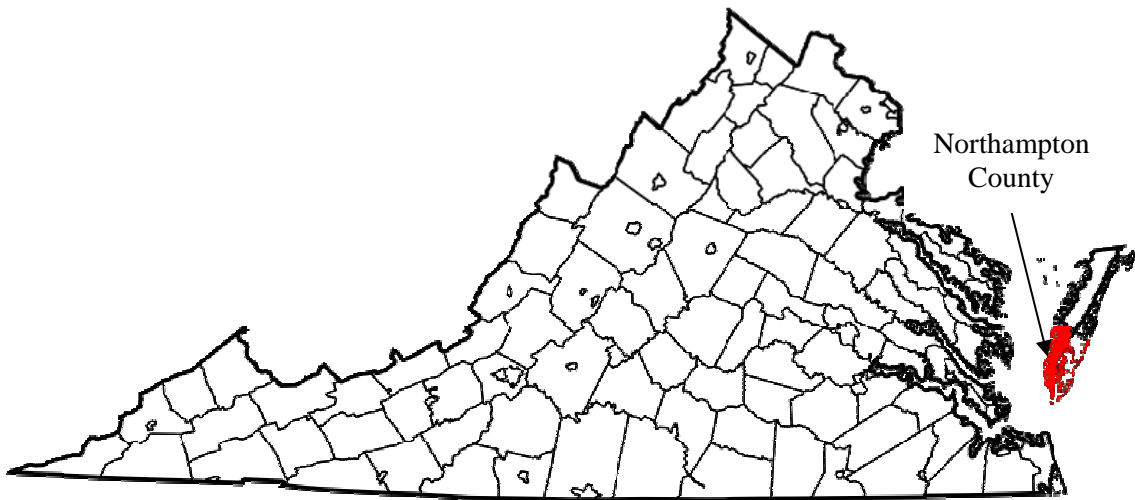
¹⁴ McLeod, Scott. (October 11, 2006.) "Jackson County celebrates opening of Green Energy Park." Smokey Mountain News.

capacity to deal with future environmental problems.¹⁵ Governments that set environmental standards help to foster innovation as businesses are required to use existing resources in new ways. This is an incredibly important benefit given that environmental problems are unforeseen and ever-changing. By creating community capacity, local governments are also setting the stage for new and perhaps unintended benefits for the community. From an economic development perspective, these benefits are all significant and can potentially enhance the quality of life for residents in ways that can truly be called development.

In sum, then, there are a number of benefits to environmentally accountable economic development, as described above. Most importantly, accountable economic development moves the discussion of jobs versus the environment to one where both job growth and environmental protection can occur. The following two case studies illustrate how this line of thinking actually plays out on the ground. Through these case studies, my intention is to show the reader how community leaders, elected officials and residents of these towns came to embrace and pursue a sustainable, environmentally accountable development strategy. I will highlight the particular pressures and tensions that were apparent in moving away from the traditional paradigm of economic development towards one that incorporates a concern for the environment and its well-being as well as a desire to create new, higher quality jobs.

¹⁵ Cohen-Rosenthal, Edward. Editor. 2003. *Eco-Industrial Strategies: Unleashing Synergy Between Economic Development and the Environment*. Sheffield, UK; Greenleaf Publishing.

Northampton County, Virginia: Matching Development with Conservation



Population (2005)	13,548 ¹⁶
Race (2000)	53.3 white/43 Black/ 3.5 Hispanic ¹⁷
Poverty Level (2000)	20.5 Percent ¹⁸
Employment concentrations (2000)	Education, health and social services (24%), Manufacturing (12%), Retail trade (9.6%) ¹⁹
Per Capita Income	\$16,591 ²⁰
Proximity to Urban Area	23 miles to Hampton, Virginia ²¹

Introduction

Native Americans have long referred to the area that is now Northampton County as “the land between two waters.”²² Located on the eastern shore of Virginia, Northampton County is nestled between the Chesapeake Bay and Atlantic Ocean and has an abundance of natural resources. The county has a rich history in agriculture and fishing, which

¹⁶ U.S. Census American FactFinder

¹⁷ U.S. Census American FactFinder

¹⁸ U.S. Census American FactFinder

¹⁹ U.S. Census American FactFinder

²⁰ U.S. Census American FactFinder

²¹ “Cape Charles Charrette.” Environmental Finance Center, University of Maryland. From: www.efc.umd.edu/capecharles.html. Accessed January 17, 2007.

²² Metzler, Lance, Mary Lechner and Timothy Hayes. “Economic Development and Environmental Protection: The Northampton County, Virginia Experience.” *Government Finance Review*. February 2002, pg 20-24.

along with food processing plants, has been the mainstay of the local economy. Starting in the late 1980s, though, processing plants began to close and move to less costly locations, local fish populations sharply declined from overfishing and the area's only supply of freshwater began to show signs of pollution. By 1991, Northampton's poverty levels skyrocketed to 28 percent and its unemployment rate rose to 9.2 percent, it's highest in years.²³

For many rural counties the typical response to an economic downturn of this magnitude would have been to chase after jobs at any cost. Examples abound of counties in North Carolina and elsewhere that have pursued prisons and landfills to revitalize depressed economies. Such opportunities were presented to Northampton County but surprisingly county officials and residents did not respond to these offers and instead chose a new development direction. As I tell in the story below, this strategic shift occurred for three key reasons. First, a broad-based group of citizens formed an alliance called Citizens for a Better Eastern Shore (CBES) that played an instrumental role in helping local government officials understand how they might pursue economic development more sustainably. Second, the passage of the Chesapeake Bay Preservation Act prompted Northampton officials to see the need for new forms of economic development that would not compromise the well-being of their freshwater ecosystem. Lastly, Northampton's government conducted its visioning and strategic planning processes in new ways that brought citizens into the process, creating greater community capacity and momentum.

²³ U.S. Census Bureau, 1990 and 2000.

Through these actions and Northampton's broader environmentally accountable economic development strategy, the county's economy and environment have rebounded. Within eight years of the downturn, by 1999, county unemployment dropped from 9.2 percent to 4.4 percent while median household incomes rose by nearly \$4,000 from \$24,341 to \$28,276.²⁴ Poverty levels also decreased from 28 percent in 1993 to 20.5 percent in 1999.²⁵ In addition, improvements have been made in the region's water quality as well as enhancements in the bay's fish and clam habitats. Northampton also became a national pioneer during this period by building the nation's first ecoindustrial park, a shining example of bridging economic development and environmental protection. In all, Northampton has dispelled the idea that job creation is antithetical to environmental protection and become a global model of how to pursue growth while enhancing environmental resources.

Northampton's History and Economic Legacies

Northampton County is located on the southern most tip of the Delmarva Peninsula in Virginia. This peninsula is flanked by the Chesapeake Bay to the west and the Atlantic Ocean to the east. By virtue of its proximity to Williamsburg and other historic colonial towns, the county has a long history dating back to its founding in the year 1632.²⁶ In addition to this storied cultural history, natural resources are also abundant in Northampton and have remained relatively unspoiled. Almost 60 percent of Northampton is salt marshes, bay creeks and barrier islands and much of this land is

²⁴ U.S. Bureau of Labor Statistics.

²⁵ "Cape Charles Charrette", op. cit.

²⁶ Gerena, Charles. "Profile: Northampton County, Virginia." Richmond Federal Reserve Bank, *Region Focus*, Summer 2000.

protected by the Nature Conservancy. The pristine beaches are home to more than 300 species of wildlife, including numerous rare species of birds and shellfish. The uniqueness—and fragility—of this ecosystem was recognized by the United Nations when it designated the county and surrounding area a World Biosphere Reserve in 1979.²⁷

These abundant natural resources have provided a living for generations of family farms and fishermen. As aforementioned, Northampton's economy has historically centered on agriculture, fishing and food processing plants. At the turn of the 20th century, Northampton was in its agricultural prime as local potato farmers made Virginia the top potato producer in the U.S.²⁸ During the 1930s, farmers began switching to other vegetable crops in order to supply the up-and-coming food processing plants locating in the county. These processing plants found Northampton to be a good home and for the next 50 years the local economy steadily grew.

It was not until the 1980s that Northampton began to run into serious economic and environmental problems. First, the food processing industry began to erode. During the 1970s and 80s significant advancements were made in food storage and transportation, making it less important for food processors to locate close to growers. At the same time, Federal and state laws regarding environmental regulations along coastlines began to change. For example, the passage of the Clean Water Act in 1977 and other water quality laws mandated that food processors be more careful with what wastes they discharged

²⁷Metzler, 2002, op. cit.

²⁸ Metzler, 2002, op. cit.

into water bodies. The local food processing plants were unwilling to make the necessary pollution prevention adjustments and so by the late 1980s, these two changes—technological advances in transportation and storage and new environmental standards—were enough to cause the processing plants to move out of town. Three plants closed within four years resulting in the loss of nearly 1,500 jobs in Northampton—a significant setback for a county of less than 13,000 people.²⁹

Over and above the loss of jobs, the processing plants also left behind them some messy environmental problems. In order to operate, the food processing plants required large amounts of freshwater. For many years, this was not much of an issue in Northampton County as residents believed their local aquifer would be adequate to meet any needs. This belief was shaken in the 1980s when a number of scientific studies proved that the aquifer that Northampton was relying on was showing signs of saltwater intrusion.³⁰ This was a serious issue considering the aquifer was the area's only source of freshwater. It also had ramifications for how area businesses could operate and whether new businesses could locate in town.

The other dominant industry in Northampton, fishing, also began to struggle in the late '80s. The Chesapeake Bay, as widely documented, was becoming highly polluted and overfishing was hindering an already declining population of fish, clams and crabs. More locally, Northampton's countryside was experiencing rapid residential development

²⁹ Metzler, 2002, op. cit.

³⁰ Interview with Deborah Christie, Director of Eastern Shore Chamber of Commerce on January 12, 2007.

which was becoming a new source of pollution run-off. Local fisherman Seth Rux summarized the situation well,

We always thought as watermen that the crabs would be the last to go. They're tough rascals and they had endured a lot of pollution. Then suddenly, in 1989, every damn one of them on the seaside died. It's like a desert out there. You can't make a living on the seaside.³¹

By the early 1990s, the combination of declining industries, pollution, and plant closures caused Northampton's poverty rates to skyrocket. Poverty hit 28 percent in 1993, while at the same time 10 percent of the county's homes lacked plumbing and 12 percent lacked adequate sanitary facilities.³² Against a backdrop of spectacular natural beauty, Northampton became one of the poorest counties in the state of Virginia and the nation.

Civic Mobilization and the Emergence of Broad-based Alliances

Both the water quality and development pressures, along with the economic challenges detailed above caused a group of alarmed citizens to begin gathering to discuss their concerns in 1987. One of the concerned citizens was a local grape grower named Suzanne Westcoat. Westcoat, like all Northampton residents, was concerned about their freshwater supply as well as the newly slated development. In 1988, Westcoat took action and began canvassing the county over these concerns.

Initially, these discussions involved a small group of like-minded citizens. But soon Westcoat found she needed to broaden her efforts and reach out to other segments of civic society. In her efforts, she met Arthur Carter, a member of the executive committee

³¹ Davis, Karen Jolly. "Creating Jobs from Conservation." *The Virginian-Pilot*. June 13, 1994.

³² "Cape Charles Charrette", op. cit.

of the local National Association for the Advancement of Colored People (NAACP). Carter was a local physician in Northampton and actively involved in advocating for the large, impoverished Black population in the county. Northampton, like many coastal counties, has a historically divided geography when it comes to race. Most Blacks tend to live inland where land is cheaper while the wealthier whites live closer to the coast. The divide in geography has made partnership and collaboration between the groups fairly uncommon. So when Westcoat asked Carter for his community's support, she made a strategic and bold move. "We wanted everyone involved," Westcoat recounts, "this needed to be a big movement."³³

But before she could count on Carter's "yes" she had to work out with Carter how the new alliance would be structured so that each party's interest would be represented. The difficulty with having an organization with a broad range of interests is that the more politically powerful interests in the coalition can dominate the organization. This is continually seen in the U.S. where wide-ranging alliances develop broad mission statements but lack the *mechanisms* to support the fulfillment of the mission and interests. Westcoat's group was going to be different, however, beginning with the decision making mechanisms. "We agreed to a consensus-only decision making process so that everyone in the room felt empowered and part of the process," says Westcoat.³⁴ Through this structure, Westcoat and Carter ensured that each interest would be given legitimacy and not just lip-service. This also provided built-in accountability and assured smaller groups joining the alliance that they would have a place at the table. The structure was

³³ Interview with Susan Westcoat, March 26, 2007.

³⁴ Westcoat interview, March 26, op. cit.

appealing to Carter, who agreed to enlist the Black community's support after seeing that their interest in housing and jobs, as well as water quality and the environment would also be addressed through this process. For the next year, Westcoat continued to broaden her alliance by bringing fishermen, crabbers and farmers as well as the Black community together.

As the alliance grew, it formally became an organization, called the Citizens for a Better Eastern Shore (CBES), in 1989. The broad umbrella organization sought to promote affordable housing, job growth, environmental protection and responsible development. To address this wide agenda, CBES organized itself into three main committees, housing, economic, and environmental. The housing committee examined ways in which substandard housing in the county could be improved and made more affordable. The economic committee investigated strategies for developing new businesses and creating jobs while the final committee on the environment sought to improve local water quality for the fishing industry. Thus each group had quite specific and focused goals to work on.

However, not long after it was formed, CBES faced unexpected opposition. A real estate developer from nearby Virginia Beach did not like the idea of an organization forming to limit growth and push for growth management tools. The developer formed a counter organization to CBES to push for continued growth and development as part of Northampton's "economic development" strategy. Within a month, though, the real estate organization had failed as the developer had a hard time finding people opposed to

such a large and diverse organization as CBES. This victory strengthened CBES even more in the public eye and gave it added credibility as a powerful local force.

Reenergized, CBES moved forward ready to consider how it would address the environmental and economic problems plaguing Northampton.

New Policies

While the Citizens for a Better Eastern Shore was formulating its strategy, the Chesapeake Bay Preservation Act (CBPA) was passed in 1990. This Act, adopted by the Virginia General Assembly, required reductions in phosphates and nitrates entering the Bay from throughout the massive watershed.³⁵ These phosphates and nitrates were killing large numbers of fish, oysters and crabs and destroying the commercial fishing industry. In order to reduce the number of pollutants entering the Bay, the Act required communities within Virginia's portion of the watershed to form a local committee to seek ways to improve water quality and limit pollution runoff.

CBES, having already organized before Northampton's committee assembled, began attending local meetings to shape the way the Preservation Act was going to be implemented locally. Initially, committee members only debated over what steps should be taken to limit pollution into the Bay, agreeing to require large vegetative buffers between development and the coastline to prevent pollution runoff. However, CBES, with its contingent of fishermen pushed for this policy to be applied to the Atlantic side of Northampton County as well. Fishermen had seen the devastating effects of pollution

³⁵ Miller, G. Tyler Jr. (2000). *Sustaining the Earth*. Brooks Cole Publishing: Albany, NY.

in the tidal bays of the eastern portion of Northampton and felt this policy was one way for their businesses to find resurgence. The local committee, sympathetic to the plight of the fishermen, agreed to require buffers throughout the county. The victory provided significant momentum for CBES and according to Suzanne Westcoat, CBES role came to be seen as critical, “Our presence put pressure on the committee to adopt the regulations for the whole county. This protected not only the aquaculture industry but it also protected our seaside.”³⁶

The passage of county-wide preservation policies was unique among Chesapeake Bay towns and caught the attention of state-level environmental groups. One year later, in 1991, the Virginia Department of Environmental Protection was looking for a community to implement a Special Area Management Plan (SAMP) and approached Northampton with a four-year match-free grant proposal. The proposal included \$700,000 in funding for a local SAMP which would create enforceable coastline protection policies and also promote economic growth. The unique combination of economic growth with environmental protection in SAMP intrigued Northampton’s officials who readily accepted the grant and began working with federal and state agencies to investigate new policies. The combination of water protection policies in the CBPA and the grant proposal from the Department of Environmental Quality was beginning to shift Northampton’s pattern of economic development.

³⁶ Interview with Suzanne Westcoat, February 9, 2007.

Entrenching Change

The shifting patterns occurring with Northampton's officials and their decision making process were further continued and amplified by CBES. In 1991, CBES created an economic development group called the *Northampton Economic Forum* to specifically address sustainable economic development in the county. After its creation, the Forum applied for and received funding from the Ford Foundation to put together a document to guide the county's economic development agenda for the future. Through technical assistance provided by the Corporation for Enterprise Development's Washington D.C. office (CFED), the Forum's document, called the *Blueprint for Economic Growth*, gained considerable credibility and attracted professional expertise. In 1992, the *Blueprint* was released in which five fundamental goals were outlined for the county: conserve the county's natural resources; preserve its rural character; pursue economic self-sufficiency for all citizens; provide adequate public services for all citizens; and diversify the local economy.³⁷

This document by CBES was timely as county officials were currently working on economic policies related to the Special Area Management Plan. According to Westcoat, who was part of CBES' Economic Forum, "The (Northampton Economic) Forum ultimately influenced what went into the county's economic development plan and identified key things the county could do to achieve business sustainability."³⁸ Indeed, 25 concrete steps were laid out for the local government that would allow for growth without sacrificing resident's unique way of life. County officials combined the

³⁷ Reardon, Christopher. "Oysters, Grapes, High-Tech Industry." Ford Foundation Report. Spring 1997.

³⁸ Westcoat interview, March 26, op. cit.

recommendations of the *Blueprint* with ideas they had generated from their work with officials on the SAMP to launch a formal economic development initiative in 1993. The mission of this initiative was to “build a strong and lasting economy by capitalizing on and protecting Northampton’s rich natural, cultural, and human assets.”³⁹

To this end, the county came up with another innovation—it started the first annual Eastern Shore Birding Festival in 1993. Local officials saw the festival as a way to begin developing an *ecotourism cluster* and also bring attention to the magnificent bird habitat in Northampton. During the festival nearly 160 species of birds are seen and birders from throughout the world flock to Northampton to see such a spectacular turnout. The festival has generated significant revenue for the community without causing many adverse environmental impacts—a perfect example of the kind of economic development Northampton was seeking. All told, Northampton’s tourism revenue moved from \$20 million in 1990 (three years before the festival) to \$39.2 million in 1997, a gain of almost \$20 million.⁴⁰ Not to be ignored, the festival has also boosted community pride and raised the awareness of local residents as to just how unique their community and ecosystem really is.

The Nation’s First Eco-Industrial Park

A second part of Northampton’s formal economic development initiative was to hire a local director of sustainable development, Timothy Hayes. This was the first time the position of ‘director of sustainable development’ had been created and filled at the local

³⁹ Metzler, 2002, op. cit.

⁴⁰ Gerena, 2000, op. cit.

level and was a pioneering innovation. After Hayes was hired, he created a specific department, the Department of Sustainable Development, within Northampton's local government to identify measurable and achievable tasks that are simultaneously environmentally and economically beneficial. In order to identify these tasks, Hayes had to decide who would do the research and analysis required to think through this hybrid strategy.

The traditional approach in this instance would be to hire more government staff to do such an analysis or pay a consultant to do the job. But in a small rural community with a limited budget, this was not an option. Instead, Hayes elected to create citizen-led task forces to research steps that the county would need to take to meet its economic and environmental goals. This decision was significant as it brought citizens, many of whom were members of CBES and were already invested in sustainable economic development, into the governmental decision making process. For those not involved in the task forces, Hayes also put on a series of collaborative community workshops and events to engage the wider citizenry in developing a vision for the county's future. By educating the community and empowering them, Northampton's government furthered community capacity for sustainable economic development in major ways.

In 1994, Hayes' task force returned to the county with the recommendation to encourage the growth of progressive companies, both locally based and recruited from outside, that were committed to environmental, social and economic goals. Another round of workshops took place over 18 months. Through the citizens' workshops, six industry

sectors were identified as local strengths to build upon. They were: agriculture, seafood/aquaculture, heritage tourism, research/education, arts/crafts, local products, and sustainable technologies. The county commissioners adopted the plan as the official economic development policy for the county. This is an example of an unusual degree of public involvement in the development process. Although driven by a lack of funds to hire consultants, it had the powerful effect of creating an engaged citizenry that knew what to hold government accountable for because they had been involved in developing the county's development standards and goals.

In keeping with the sustainable technologies industry sector identified in the recommendations, county officials began talking about ways to bring such industries to town. At this point in time, Northampton voters had already approved a \$2.5 million bond in 1991 to build a new industrial park but no real leg work had been done on the project. County officials, who had an established relationship with state and federal officials via the Special Area Management Plan work, heard about a grant available from the U.S. Environmental Protection Agency for a prototype green industrial facility. Seeing the fit with the newly adopted development policy, officials decided the facility might be exactly what Northampton needed. In 1994, Northampton County was selected by the President's Council on Sustainable Development as the site of the first eco-industrial park in the United States. This park would attract new companies with low environmental impacts and represent the enormous shift in thinking that had occurred among local residents and elected officials in just five short years.

Unusual Routes to Fundraising

While the industrial park grant was exciting, Northampton was required to put up a significant amount of money in order for the project to actual go through. After securing funding from the Federal EPA, NOAA and the Virginia Department of Environmental Quality, Northampton needed to determine how it would generate nearly \$1 million left to fund the park. The Northampton County Board did still have the bond money as a possible route to take but chose instead to raise the money by not incurring debt.⁴¹ In order to do this, the Board chose an unusual and innovative strategy. The Board worked to reduce program costs and government expenditures by reorganizing service delivery and prioritizing certain services and programs.⁴² For example, the county cut costs by developing more cost-effective solid waste management practices. Within a year, Northampton's efforts had generated about \$750,000 for the park and the first phase of construction was ready to begin. On October 17, 1996, ground was broken in Cape Charles, Northampton's County seat, for the Cape Charles Sustainable Technology Industrial Park.

Eco-Industrial Park Results

A Shaky Start

Since opening, the park has leveraged an additional \$8 million in private investment from companies locating within the park. Moreover, \$7.8 million was committed for the development of a wind farm within the park that would produce more than enough electricity for the county. When the actual park opened in January of 2000, there was a

⁴¹ "Smart Communities Network: Northampton County, Virginia." Retrieved October 26, 2006 from World Wide Web: www.smartcommunities.ncat.org/success/northam.shtml.

⁴² "Smart Communities Network: Northampton County, Virginia.", op. cit.

state of the art 31,000 square feet multi-tenant manufacturing/office building. This building meets the U.S. Green Building Council's standards for a "green building" and includes a solar photovoltaic roof system, water recycling system and low energy light and water fixtures.⁴³ Surrounding the park are protected wetlands, trails and ponds. A natural area park was also given to the community that provides a jogging trail and opportunities for bird watching.

In terms of job development, the park initially generated significant jobs in the area. In its first year, more than 50 new jobs were created by four companies locating in the park. Many of the companies believed they would grow quickly and add more employees. In fact, initial estimates by local officials put park employment at nearly 2,000 people—a very significant number for a rural area.⁴⁴ However, these figures never materialized and by 2005, only one company was left in the park.

In the interviews conducted for this case study, local officials and residents consistently pointed to miscommunication between local, state and federal governments as one of the main reasons the STIP did not enjoy its anticipated success. Apparently, local officials felt the state and federal officials were going to take the lead in recruiting new businesses into the STIP since they had played such a prominent role in crafting the idea of the park and providing funding. In reality, according to a current member of the county board, state and federal leaders did not "steer many businesses to the park" and some county

⁴³ Metzler, 2002, op. cit.

⁴⁴ Metzler, 2002, op. cit.

officials took the attitude that once the park was built, businesses would be lining up to come to town.⁴⁵

Moreover, local officials believe the federal and state regulations placed on how businesses could operate in the park may have been unnecessarily high. When the STIP was being developed, a sustainability criteria/matrix was created by Federal and state officials that spelled out the types of businesses that would be able to share waste streams and thus be good fits for the park. The problem with this was that it limited the number of businesses that could locate in the park from an already limited pool of green businesses. Thus, when businesses began to leave Northampton, the county was left with very few businesses to even recruit. At one level, then, one may say that Northampton's experiment with the park had a shaky start. But the story does not end there.

Building Community Capacity and a Local Brand

Northampton took a risk in building the ecoindustrial park and pursuing an environmentally accountable economic development strategy. In light of the shaky start by the park, one might expect the county to turn back to a more traditional approach that compromises the local environment. But Northampton did not change course and continued with its accountable economic development strategy. This, in large part, is due to the successful work of Northampton's government in creating community capacity around eco-friendly development. Shortly after community officials saw that the STIP was not performing well, they got together to consider other strategies to grow

⁴⁵ Information gathered from interviews with Andrew Barbour, Deborah Christie and Suzanne Westcoat.

sustainably. Looking back at the *Blueprint for Economic Growth* and the recommendations of Hayes' task force, County Board member Andrew Barbour suggested developing an Eastern Shore brand and bolstering the local ecotourism industry. Barbour saw how well the bird festival worked and felt the county needed to take this strategy to the next level. Partnering with a marketing class at Temple University, Barbour and Northampton developed an Eastern Shore brand. This label is now put on nearly every product made in Northampton as a symbol of healthy and natural food and craft products that are locally produced.

Along with the Eastern Shore brand, Barbour and Deborah Christie from the local chamber of commerce joined with the Eastern Shore Community College, Nature Conservancy and local businesses to develop a certification course in ecotourism. Businesses that complete a series of training courses in sustainable tourism at the community college receive certification as ecotourism businesses. As an incentive to complete the course, businesses with this certification are then able to gain access to protected barrier islands and land owned by the Nature Conservancy they would otherwise not have access to. This exclusive experience is now allowing local businesses to charge a premium and generate new revenue all while minimizing harm done to the environment. Not only does this show another way in which Northampton has brought the environment and the economy together but it has also become a key selling point for Northampton County. Andrew Barbour explains, "We see nature-based development and

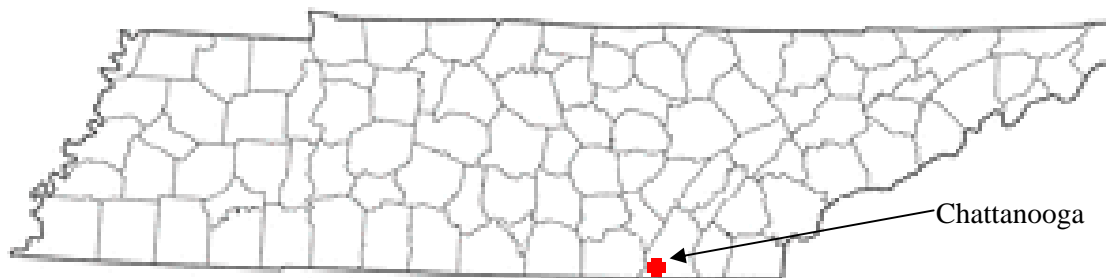
products as a key differentiator. Our resources are an asset and by protecting them, we are finding new ways to do business.”⁴⁶

Summary and Key Points

In conclusion, one sees a few key themes emerge from the Northampton case. First, we see the importance of forming cross-class, cross-race alliances and then institutionalizing those alliances to provide a strong voice for civic society in the development process. This voice has been critical in shaping and effecting change, innovation and accountability. Second, environmental policies, at least in the case of Northampton, had an important effect in bringing about new paths of development and fostering novel economic development strategies. State and Federal policies reinforced this process. Through the Chesapeake Bay Preservation Act and SAMP, Northampton’s County officials saw they needed to envision and forge a new way of developing the economy. The third and final theme is the importance of including citizens in key decisions and visioning processes over time and from the outset. Through these exercises and task forces conducted by Director of Sustainable Development Timothy Hayes, Northampton created new channels of accountability and leadership, furthering community capacity for environmentally accountable economic development. While the Northampton case has highlighted one set of strategies, processes and mechanisms, there are multiple paths to the same outcomes, as we see in the next case I discuss.

⁴⁶ Interview with Andrew Barbour, Northampton County Supervisor. January 12, 2007.

Chattanooga, Tennessee: Sustainability through the “Chattanooga Process”



Population (2005)	154,762 ⁴⁷
Race	58.3 white/38.7 Black/1.6 Hispanic ⁴⁸
Poverty Level	19.3 Percent ⁴⁹
Employment concentrations	Services (32.6%), Retail trade (17.9%), Manufacturing (16.2%) ⁵⁰
Per Capita Income	\$21,893 ⁵¹

Introduction

Former Vice President Al Gore declared in 1995 that Chattanooga “has undergone the kind of transformation that needs to happen in our country as a whole.”⁵² Indeed, in 1969 Chattanooga was declared the dirtiest city in America by the U.S. Department of Health, Education and Welfare. Today, a visit to Chattanooga reveals a bustling downtown complete with low-emission electric buses, a revitalized and vibrant Tennessee River front and trees along all the streets. This has been the result of a number of efforts including a series of unique community visioning exercises conducted by the city throughout the 1980s and 90s. These exercises were so novel and successful that the

⁴⁷ U.S. Census Bureau, American FactFinder.

⁴⁸ U.S. Census Bureau, American FactFinder.

⁴⁹ U.S. Census Bureau, American FactFinder.

⁵⁰ Chattanooga “Chattanooga Business Sectors.” Retrieved February 28, 2007 from World Wide Web: http://www.chattanoogachamber.com/PDF_Files/business_demographics_06.pdf.

⁵¹ U.S. Census Bureau, American FactFinder.

⁵² Motavalli, Jim. “Chattanooga on a roll: from America’s dirtiest city to one of its greenest” *E: The Environmental Magazine*. March-April 1998.

researchers at the University of Maryland coined the term “Chattanooga Process” to describe the incorporation of citizens into the planning process.⁵³

Similar to Northampton County, Chattanooga experienced an environmental crisis in the form of their dirtiest city designation. The area also underwent a series of economic recessions leading to massive job layoffs and plant closures. Through all of this, Chattanooga, much like Northampton, pursued economic development in a sustainable way. But Chattanooga’s path towards these sustainable economic development outcomes was different than Northampton’s. This case study will draw out the important process of community visioning as well as the role of private organizations in reshaping the patterns of Chattanooga’s local government. The study will also highlight key events and turning points and illustrate for the reader another scenario where economic growth and environmental protection became a flourishing partnership.

Chattanooga History, Government and Pollution Problems

The name Chattanooga is borrowed from the Cherokee Indians who inhabited the area until the mid 1800s. Chattanooga in Cherokee stands for “rock rising to a point”, appropriate for a city surrounded by mountains. In 1816, a Cherokee named John Ross set up a post at a place on the river called “Moccasin Bend” which later became an important trading post. A few years later, Georgia’s railroad reached Chattanooga and the city quickly grew to become one of the most important trading centers of the South.

⁵³ Parr, John. *Boundary Crossers: Case Studies of How Ten of America's Metropolitan Regions Work*. The Academy of Leadership. 1998.

In addition to being a trading center, Chattanooga also has a long history of steel mills and manufacturing. Starting in the late 1800s and continuing until the 1970s, steel foundries were common in the city and a strong steel manufacturing base anchored Chattanooga's economy. These mills located in town for a number of reasons, one of which was the fresh water that could be drawn from the nearby Tennessee River. But for all the positives of the steel mills, there were negatives as well.

Long-time Chattanooga residents will tell of the days in the 1950s and 60s when people had to drive with their headlights and windshield wipers on to see through the soot being emitted from local steel mills. Businessmen often changed shirts at lunch time because their button-downs had become so stained from the ash. Even Lookout Mountain, usually visible to the naked eye, could not be seen unless you were within a few hundred feet of it. This led to the U.S. Department of Health, Education and Welfare (the precursor to the Environmental Protection Agency) designation of Chattanooga as the most polluted city in the U.S in 1969. Things got even worse for Chattanooga around this time. During the late 1960s and early 70s, many of the local steel mills began to close their doors, laying off thousands of employees. This led to a spiral of business closures as retail stores no longer had the mill workers to support their businesses.

In light of this spiral of business closures, there were also issues with local government. While the Federal government, after the authorization of the Tennessee Valley Authority in the 1930s, has had a strong presence in Chattanooga, the local government has been historically absent. Most attribute this lack of leadership to the antiquated form of

governance used by Chattanooga until 1989. Under this form of governance, citizens voted for candidates to direct specific city departments. The issue with this form of governance was that it isolated elected leaders from each other and also gave little representation to local citizens and their specific interests. For this reason, businesses and the private sector have substituted for local government in Chattanooga and traditionally set the vision and direction for the city.

Problem Solving and the “Chattanooga Process”

When the Department of Health, Education and Welfare gave Chattanooga its dirty city designation, Chattanoogaans had a bit of an identity crisis. The city’s name had been attached to pollution, unsafe air and dirty water. According to Elizabeth Bryant, development director for the Tennessee River Gorge Trust, “People were embarrassed.”⁵⁴ As has been the case during most of Chattanooga’s history, the business community was the first to take action. Under the Clean Air Act, Chattanooga was given clear guidelines by the Federal government as to what needed to be improved and how. Business leaders came together and installed smoke-stack scrubbers at a cost of almost \$40 million. By 1975, Chattanooga had reached air quality attainment.

The success was, however, short-lived. As discussed above, Chattanooga was simultaneously facing economic pressures. Similar to other industrial cities, Chattanooga’s steel industry had become outmoded during the 1970s and many factories began to move overseas. The city was left with abandoned and polluted industrial sites

⁵⁴ Porter, Charlene. “It Takes Us All, It Takes Forever.” *Global Issues and Communications*. March 2000, Volume 5, Issue 1.

while remaining businesses and residents moved out to the suburbs. Meanwhile, the city government was doing little to provide leadership. According to John Parr, researcher for the Academy of Leadership at the University of Maryland, “There was no one making decisions at all. Instead, the community was coasting along on its self-inflicted inferiority complex.”⁵⁵

It was not until 1982 that the coasting stopped and action initiated. Director Rick Montague of the Chattanooga-based Lyndhurst Foundation approached the local government with a proposal to conduct a planning process for the city. Montague and local officials agreed to appoint the Moccasin Bend Task Force to lead the city in determining the future of a 22-mile stretch of the Tennessee River that winds through town. As well, Montague was appointed chairman of the Task Force and sought out a group of consultants to help with the plan. Montague was strategic in his choice of consultants hiring Carl Lynch and Associates for the plan, a group that had a strong reputation for involving the public in visioning exercises.

Thus, it was not surprising that after Lynch was hired to help with the plan, he insisted on making it an inclusive process. This strong emphasis on public participation led the Task Force to hire Eleanor Cooper, a Chattanooga native, to help with outreach and community involvement. Over the course of the next few years, the Task Force held over 65 public meetings, nearly all of which were in neighborhoods, churches and other

⁵⁵ Parr, 1998, op. cit.

community locations. As Rick Montague, director of the Task Force says, “We went to wherever people were: we didn't ask them to come to our meetings, we went to them.”⁵⁶ Not only were the meetings held on resident’s turf, they were also structured much differently than any before. Typically, planners had come to residents with plans already determined and drawn. The meeting was held only to get the okay to go forward. This resulted in a close-minded and narrow approach to problem solving as the decision-making was limited to just the planners. The Task Force and Lynch wanted to avoid this. Instead, they asked citizens what they wanted to see done with the stretch of river and then worked with the citizens to achieve a consensus. In doing so, citizens were intimately connected and involved in the problem solving component of the project. Further, citizens were required from the outset to seek joint solutions. By requiring this and connecting citizens to the problem solving component, citizens were ultimately able to take ownership of the end result.⁵⁷

Interestingly, Chattanooga points out how local actors can reshape government patterns and ultimately create new spaces and pathways of civic sector involvement in the planning process. Chattanooga previously had a pattern of closed-door meetings and limited community involvement in the visioning process. This is not unique to just Chattanooga, many city and county governments throughout the U.S. make little attempt to involve their citizens in decision-making processes. However, in contrast to the Northampton case where citizens led the charge for change in the county government’s economic development strategy, it was a private non-profit actor, the Lyndhurst

⁵⁶ Parr, 1998, op. cit.

⁵⁷ This process was described in detail during my interview with Jim Bowen, Vice President of the River City Company. April 3, 2007.

Foundation that really prompted the Chattanooga *government* to seek change. In partnering with the local government, the Lyndhurst Foundation introduced a new way of conducting a visioning process to the city. Through his foundation's partnership with the local government, Montague helped to reshape the routines of Chattanooga and bring citizens into the planning process. This is significant because it helped set a pattern for how the local government would conduct its planning exercises for the next twenty years.

A Mentor City

After gathering input and vision from citizens, Lynch and his associates went to work on generating a master plan. Meanwhile, the non-profit organization *Partners for Livable Places* suggested that a group of members from the Task Force begin investigating cities that were facing similar struggles as Chattanooga. The rationale for this was that it would provide Chattanooga with a steady stream of best practices for how to handle some of the issues they were up against, in this way the chosen city would become a “mentor city.”

The Task Force selected Indianapolis, Indiana and sent a group of elected leaders, business people and non-profit directors to the city. While in Indianapolis, the commission learned about the Greater Indianapolis Progress Committee (GIPC) which had established a national reputation for its success. GIPC was established in 1965 by a group of business and civic leaders to bring together representatives from all sectors of the city to solve problems. Community-wide task forces are the hallmark of GIPC and

have been instrumental in helping Indianapolis peacefully desegregate its public schools and establish a number of park and civic facilities.⁵⁸

Upon returning to Chattanooga, the group of delegates decided to mimic the GIPC and establish a similar organization that would create a mechanism for the city to reach consensus on an issue. Chattanooga Venture was created in 1984 and was charged with the goal of improving Chattanooga on all fronts: environmental, social and economic. To facilitate this, Venture, like the Moccasin Bend Task Force, held meetings in neighborhoods regarding particular issues in the community. But Venture also went a step further and relied on citizens to enact change. After using the Chattanooga Process developed by the Moccasin Task Force, citizens at the visioning process reached consensus by voting on the next actions to be taken. At this point, Chattanooga Venture diffused its power by setting up a unique collection of task forces and coalitions. Venture organized task forces around specific problems, such as brownfield redevelopment, whereby interested citizens gathered to discuss how to implement the solutions agreed to during the consensus process. Within each citizen task force, Venture also worked to raise up particular individuals to lead the task force in implementing change. The task force and coalition structure set up by Venture had a similar effect on building community capacity as Hayes' task forces in Northampton. By diffusing its power, Venture had empowered Chattanoogans—not outside experts—to take control of local issues.

⁵⁸ “Greater Indianapolis Progress Committee to celebrate 40th Anniversary and 2005 Charles L. Whistler Awards.” (June 14, 2005). Retrieved February 14, 2007 from World Wide Web: <http://www.indygov.org/eGov/Mayor/PR/2005/6/20050614a.htm>.

Stepping back, we find that there are some similarities and points of contrast between Chattanooga Venture and Northampton's Citizens for a Better Eastern Shore (CBES) that warrant some discussion. Interestingly, both groups point to the importance of institutionalizing efforts and processes. CBES was created to give a voice to the effort occurring in Northampton that was seeking to improve the environment, economy and living conditions of residents. Similarly, Venture also institutionalized their effort to improve Chattanooga on these three fronts as well as the effort to bring citizens into solving community-wide problems. In this way, Venture differs from CBES because it sought to also institutionalize a *process* that would ultimately create a better community. This process is what would come to be known as the "Chattanooga Process."

In 1984, the same year Chattanooga Venture was created, the organization conducted its first visioning exercise for the city. Vision 2000 asked citizens to dream big and consider what kind of place they wanted Chattanooga to become. An astonishing 1,700 people came to the process and developed hundreds of ideas that ultimately led to 233 new projects for the city.⁵⁹ As city councilman David Crockett, decedent of the legendary frontiersman says, "The people were the think tank."⁶⁰ By bringing together citizens who had experienced the environmental and economic hardships of Chattanooga, the city was using one of its best resources, its people, to solve some of these problems. This is important as it contributed to further building up community capacity. Rather than seeking the expertise of an outside agency unfamiliar with the city and its people, local

⁵⁹ Motavalli, 1998, op. cit.

⁶⁰ Porter, 2000, op. cit.

government realized the wealth of understanding and experience before them and sought to utilize it for the benefit of the community.

Moreover, by bringing citizens into the community visioning process, government was also making itself accountable to its citizens. Residents were now spending significant time with city planners and elected officials and were also aware of the problems faced by decision makers and the potential solutions presented to them by local groups. Under these conditions, the government was *forced* to act on the ideas and solutions citizens had generated. And, not surprisingly, Chattanooga's government did act. The famous Tennessee Aquarium, for instance, was an idea that came from the visioning process and was tied in with the work the Moccasin Bend Task Force was doing to reenergize the waterfront. The Tennessee RiverPark, a downtown river walk landscape that traces the Tennessee River, was another idea that citizens expressed and the city acted on. In sum, nearly 1,400 jobs were created from projects outlined in the visioning process as well as a total financial investment of \$793, 303, 813.⁶¹

Revitalizing Government and ReVision 2000

Another sign of change in Chattanooga occurred in 1989. As mentioned earlier, Chattanooga did not always have a strong history of local government leadership. The antiquated form of governance whereby citizens voted for officials to run city departments was abolished in 1989. Under the Voting Rights Act, Tennessee courts ruled that this form of governance was actually illegal. The ruling led the city to adopt a

⁶¹ Parr, 1998, op. cit.

new nine-member city council structure which was filled by people elected from city districts as well as a directly elected mayor. This had an important by product. It significantly increased the amount of representation given to the African-American community which currently has four leaders on the council.

Chattanooga Venture went back to work in 1993 conducting a second visioning process called ReVision 2000. Again community meetings were held in local neighborhoods and Chattanooga residents developed more than 3,000 ideas for the city.⁶² Nine meetings were held for the process which drew over 2,600 residents. The turnout was even greater than the first visioning process, an indicator that citizens believed in the process and felt there would be real results. After having conducted the first visioning process, Chattanooga Venture developed the following principles that governed ReVision and any of its future planning processes:

- Create a process open to all.
- Recognize and preserve every idea.
- Rely on the wisdom of the community.
- Respect both the simplicities and complexities of the community.
- Eliminate all barriers to sincere and honest dialogue.
- Understand the strengths and limitations of community building.
- Seek workable solutions.
- Insist on diversity.
- Accept responsibility for the consequences of the vision.
- Promote trust.⁶³

In the end, Venture held a Vision Fair which celebrated the process of coming together as a community and presented the 27 goals and 122 recommendations that had been distilled from the process.

⁶² "Best Manufacturing Practices." (1996). Retrieved January 26, 2007 from World Wide Web: <http://www.bmpcoe.org/bestpractices/internal/chatt/index.html>.

⁶³ Motavalli, 1998, op. cit.

Perhaps the best example of how the community visioning processes have pushed Chattanooga to pursue environmentally accountable economic development came in 1993. During Vision 2000, citizens suggested the idea of using a low-emissions bus system to shuttle people throughout the city. Building on the recent history of partnership between government and the private sector, Chattanooga Area Regional Transportation Authority (CARTA) sought help from the business community to develop a clean alternative to their diesel buses. A partnership was formed in which Advanced Vehicle Systems (AVS) was created to develop and fulfill CARTA's need for clean energy buses. By developing a "living laboratory" and incorporating ideas from CARTA and others interested in electric vehicle technology, AVS has become the world leader in electric bus technology. Today, all of CARTA's fleet contains electric buses that shuttle citizens throughout the city without any pollution. Moreover, AVS is shipping their buses and technology to places like Tempe, Arizona, Miami, Florida and Los Angeles, California for use in their public transportation systems. AVS represents another clear example of how incorporating citizens into the problem solving process can lead to new and better development outcomes.

Summary and Key Points

To sum up, Chattanooga in many ways experienced similar economic and environmental pressures to Northampton. And in many ways, some of the elements of Chattanooga's path towards environmentally accountable economic development mirrors Northampton's. However, there were also some key differences as highlighted above. These differences show that there are multiple mechanisms and routes a city can take in

pursuing environmentally accountable economic development. The next chapter will distill some of the key findings of these cases to discuss broader mechanisms and processes that might help planners in other cities move towards environmentally accountable economic development practice.

Lessons Learned:

Broad based alliances, institutions and embedded civic involvement

The Northampton and Chattanooga case studies point out that communities can in fact pursue environmentally accountable economic development. These case studies illustrate that jobs and the environment can be reconciled into a coherent strategy that does not make trade-offs between clean air and new jobs. But how a community achieves these outcomes is not limited to one path or a narrow set of preconditions. Both Northampton and Chattanooga started at the same place of environmental and economic crises but took different paths to achieve their economic development outcomes. This point should give policymakers and planners more autonomy in seeking a variety of contextually embedded and customized paths to environmentally accountable economic development. This is a hopeful observation as it means that nearly any city in the U.S. can reverse its economic development path and move towards environmental sustainability.

At the same time, the inevitable question is how a city or region can move toward an environmentally accountable economic development strategy and find success. Below I attempt to answer this question by highlighting three key themes found in both cases that were associated with their impressive development outcomes. These are: 1) the importance of broad based, cross-class, cross-racial alliances, 2) turning these alliances into institutions and formal organizations, and 3) creating porosity between the public and state to involve citizen groups in formal governmental processes.

But this information is not enough. The question about moving toward accountable economic development also involves addressing issues with the diffusion of ideas and processes in a place. Typically, policymakers and planners attempt to implement change by making surface level changes. I have intentionally used the case study format, however, to provide a more in-depth illustration of the processes and movements that were critical for both Northampton and Chattanooga. In doing so, the smaller and more intricate processes that make up the backbone of moving away from traditional economic development towards a more accountable form of economic development become apparent. Using this deeper, second-level change will allow planners to put in the place the kind of infrastructure necessary for lasting change.

Broad Based Alliances as Boundary-Spanning Civic Organizations

Broad based alliances are much touted goals in the social networks literature. But as the vast literature on economic development practice demonstrates, they are notoriously hard to generate and sustain. A scan around the United States shows that few if any environmental advocacy groups have formed many significant partnerships with other non-environmental organizations. For example, in conducting research for this project I found another coastal fishing community in the panhandle of Florida called Apalachicola. Apalachicola, like Northampton and Chattanooga, has experienced serious environmental and economic hardships recently that have prompted the creation of a grassroots environmental advocacy organization. This new organization, called the Riverkeeper, has made it its mission to push for change in local environmental and economic policies. The Riverkeeper has followed a similar path to CBES in that it has published reports and

plans to aid local government and illustrate how environmental protection and economic growth might be achieved. Despite the Riverkeeper's best efforts, though, Apalachicola has continued to pursue environmentally degrading economic development. One reason for this could be that groups, such as the Riverkeeper, who maintain a single goal and do not pull in other interest groups are more easily marginalized.⁶⁴ Such organizations are often seen by elected officials as fringe voices and interests in the wider discussion about community well-being.

Both CBES and Chattanooga Venture, however, represent *boundary-spanning* civic alliances where environmental interests were explicitly allied with other interest groups, such as business, social justice, housing and community development. Groups such as these are much more difficult to marginalize because they represent a range of interests, making it harder for elected officials to ignore them. Initially, in the Northampton case, Suzanne Westcoat was organizing simply an environmental advocacy group, similar to the Riverkeeper, to slow real estate development and improve the local environment. However, when Westcoat saw that there were other problems Northampton residents were faced with she realized the need to strengthen her group's voice by pooling it with multiple voices. Westcoat could have kept her organization narrow in focus and become one of many voices in Northampton asking its government for change. Instead, Westcoat reached across traditionally segmented lines of interest, bringing together the Black community, fishermen and farmers, to create a truly unique organization. This effort created a new space for her alliance to speak with political actors about innovative ways

⁶⁴ Information gathered from interviews with Andrew Smith, Chad Taylor and David McLain, Apalachicola Riverkeeper staff.

to construct policy. Within this space, the broad alliance shifted the debate from competing politics to how formerly rival issues, such as jobs and the environment, could become allies.

In the Chattanooga case, Chattanooga Venture also demonstrates the importance of seeking broad, cross-class, cross-racial alliances in order to create change. Similar to CBES, Venture was tasked with solving environmental, social and economic problems. This amplified the voice and presence of Venture in the community as the environment was not their only interest. A point of difference between CBES and Venture, however, is the precise way in which both groups actually brought together these interests. In the case of CBES, partnerships were made with citizens who were driving the change effort. Venture, on the other hand, began with the mission of bringing together the economy, environment and society and then sought citizens who would carry-out these actions. In this way, Venture was more top-down and illustrates how a private actor can be the driving force for creating alliances and unifying environmental, social and economic goals, whereas CBES shows how citizens can first create alliances and then form an umbrella organization.

Institutionalizing Alliances

Chattanooga and Northampton also point out the importance of developing formal organizations and institutions out of broad based alliances. This is a point many citizen groups fail to realize. In places where alliances do form they often remain an informal collection of citizens that lack clout and a specific strategy. The process of

institutionalization—or becoming a formal organization—therefore, is important for a number of reasons. First, it generates more authority and legitimacy for the organization at both the local and state level. CBES, for instance, was able to receive funding from the Ford Foundation and technical assistance from the Corporation for Enterprise Development *after* they became formally organized. The funding and guidance by both CFED and Ford further legitimized CBES in the eyes of local decision makers as they are nationally respected organizations.

The second reason the process of institutionalization is important is that it forces loosely organized citizen groups to think seriously about how their new organization will make decisions and resolve conflict. The typical decision making process chosen by many organizations is majority rule. The problem with majority rule, however, is that it potentially allows for larger and more politically powerful interests to dominate an alliance. In contrast, CBES and Chattanooga Venture decided on a much different process that forced *collective* action and prevented factions from forming within. CBES, for instance, elected to make decisions only when consensus was reached. This process gave legitimacy to the organizations joining the alliance, which was critical to CBES' success. Similarly, Venture used the Chattanooga Process to arrive at decisions on actions to take, which built consensus around the organization's positions. In both cases, the *kind* of decision making mechanism was important as it reinforced collective action and prevented one interest dominating others. As well, through the institutionalization process the organizational structure of Venture and CBES was decided on ahead of time rather than considering it as an afterthought.

A point of difference between Chattanooga and Northampton, however, is the kind of institution that was created in each city. In the Chattanooga case, Chattanooga Venture highlights the importance of not only institutionalizing citizen groups, it also shows how important institutionalizing a *process* can be. Using the information gathered from the Indianapolis visit, Chattanooga leaders were able to implement a proven way of dealing with problems through collective action. By doing this, Venture changed the way citizens were involved in community decision-making and ultimately changed the way city government handled the planning process. The amazing success of the “Chattanooga Process” shows that institutionalizing a *process* of solving problems instead of institutionalizing a *position* on a problem can not only lead to new and innovative outcomes but can make implementation of complex, potentially conflictual processes possible, on the ground, in a viable way.

Civic Involvement in Governmental Processes

The third theme uncovered in these case studies is the importance of the way in which citizens are involved in governmental processes. Currently, there is much discussion among elected officials and public administrators about participatory processes. Many governments have made efforts to span the boundary between the state and public by involving citizens in governmental processes. But these efforts often fail to produce the social capital and rich outcomes desired by both the state and the public. This failure suggests that there is something more, something beyond simply participatory processes that is critical to the success of citizen involvement in governmental processes. The

Chattanooga and Northampton cases provide insight into the conditions under which collective action between the state and the public is fruitful.

In Northampton, Director of Sustainable Development Timothy Hayes played a central role in bringing citizens into the process of pursuing environmentally accountable economic development. When Northampton sought to investigate the key economic sectors it could develop sustainably, it was not in a financial position to hire more staff or consultants to carry-out the research. Instead of the usual consultants, *citizens* became an arm of the state through the task forces set up by Hayes. This effort blurred the traditional lines between the state and public and created porosity between the two that led to significant increases in social capital. By setting up both task forces and an inclusive visioning process, Hayes also built upon and furthered community capacity. Through this, power was diffused from Northampton government to its citizens, giving citizens a greater stake in the outcomes of the community's economic development efforts. Thus, it was the way in which boundary spanning activity between the public and the state occurred that was critical to Northampton's success.

Further, without creating momentum, community capacity and accountability, it is likely that Northampton would not be where it is today. After the STIP fell on hard times, it would have been easy for local residents and officials to abandon the ecoindustrial park and take a different economic development course. But it was precisely because citizens were involved with local officials in crafting their environmentally accountable economic development strategy that Northampton persisted on a sustainable path. Citizens knew

the goals of Northampton's economic development strategy and put in a tremendous amount of effort to achieve those goals. In this way, the citizens were unwilling to brush aside their efforts and start a new development strategy or path. This kind of accountability led officials to develop the Eastern Shore brand and certification course strategies—both created after the failure of the STIP. The brand and course are, in essence, evidence of the high level of commitment that can be generated in a community when there is collective action between government and its citizens.

But not all places, as evidenced by Chattanooga, have easy paths to incorporating citizens into their governmental processes. As discussed in the case study above, the Chattanooga government previously had a pattern of closed door meetings and limited citizen involvement. It was not until a local foundation, the Lyndhurst Foundation, that the government changed its pattern and routines. By partnering with city government to conduct the visioning exercise, the Lyndhurst Foundation (and Rick Montague) was able to use a public-private channel to move Chattanooga to a more inclusive process, breaking down the old boundary of public versus state. Eventually, a visioning process was developed that is now considered one of the best in the nation. This transition in Chattanooga government's behavior points out how private organizations can play a significant role in reshaping local government's entrenched routines. By coming alongside local government instead of speaking against them as an adversary, Montague was able to leverage the partnership for change.

Continuing with the point of engaging citizens, Chattanooga also demonstrates how important focused comparisons with other localities and strategies can be. Chattanooga's government had not seen other models for engaging citizens prior to their trip to Indianapolis. It was there that the example of a proven mechanism for engaging citizens was introduced to them by GIPC. The result was an innovative policy solution, the creation of Chattanooga Venture, and a mentor-mentee relationship that allowed the city to see fresh ideas and innovative ways of solving similar problems.

Lastly, both communities illustrate a contrast to what many planners and government officials might think, that is residents—not only outside experts—often have excellent solutions for local problems. Importantly though, it is only through processes, such as community visioning, that planners and officials are able to tap into the embedded knowledge and experiences of their community members. The Advanced Vehicle Systems business in Chattanooga is a perfect example of this embedded knowledge being used to find pioneering solutions. Through boundary spanning processes, officials are able to leverage the *combined* experience of local residents to find new and creative solutions to current challenges.

In sum, this paper set out to examine places that reconciled the jobs versus environment conundrum and understand the pressures under which places chose to pursue an environmentally accountable form of economic development. Through case studies of Chattanooga, Tennessee and Northampton County, Virginia, both places with successful environmentally accountable economic development strategies, three key elements were

present. First, the formation of broad based, cross-class, cross-racial alliances helped both Northampton and Chattanooga gain initial momentum around sustainable economic development. Through these partnerships, citizens were able to amplify their voice and broaden the reach of their alliance. Second, institutionalizing alliances forced loose citizen groups to consider the mechanisms by which decisions would be made and conflict could be resolved. In this process, alliances were forced into collective action and consensus rather than division and segmentation. Third, by creating porosity between the public and state, old boundaries were eliminated and citizens were brought into governmental processes in new ways. While it was not easy to change established routines and patterns, both places illustrate the incredible benefits of community capacity, knowledge sharing and innovation that occur when conditions can be created for citizens and government to work together. Planners who are able to foster the development of these elements locally will move their community a long way toward developing a more environmentally accountable approach to economic development.

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